

Journal of Social Policy

<http://journals.cambridge.org/JSP>

Additional services for *Journal of Social Policy*:

Email alerts: [Click here](#)

Subscriptions: [Click here](#)

Commercial reprints: [Click here](#)

Terms of use : [Click here](#)



Douglas Besharov and Kenneth Couch (eds.) (2012), *Counting the Poor: New Thinking about European Poverty Measures and Lessons for the United States*. New York: Oxford University Press and School of Public Policy, University of Maryland. £45, pp. 434, hbk

JULIO BOLTVINIK

Journal of Social Policy / Volume 42 / Issue 04 / October 2013, pp 852 - 855
DOI: 10.1017/S0047279413000433, Published online: 30 July 2013

Link to this article: http://journals.cambridge.org/abstract_S0047279413000433

How to cite this article:

JULIO BOLTVINIK (2013). Journal of Social Policy, 42, pp 852-855 doi:10.1017/S0047279413000433

Request Permissions : [Click here](#)

how older people's care programmes are politically structured. Chapter 7 indicates the key findings of empirical sections and connects them to the theoretical arguments, revealing the political logic under which electoral rules promote the development of universalistic social care services, contrasting them with conditions under which particularistic policies are created. The last chapter assesses the effects of electoral rules and party systems on social protection from an institutionalist perspective, and sets out alternative explanations.

A strength of the study lies in its theoretical contributions. First, it offers an account of the qualitative variations of welfare systems in advanced industrial societies; secondly, it contributes to the on-going discussions on the relationship between electoral rules and welfare states; and, thirdly, by taking into consideration new social 'risks', it brings the analysis up-to-date and sheds light on the impact of social cleavages other than class relations. Further to this, the author has capitalised on both qualitative and quantitative approaches and been quite creative in his methodological approach, given the notorious difficulties in obtaining valid and reliable indicators for measurement in this area. There is some reliance on old OECD data for the quantitative analysis (data extracted from 1980 to 2001) which may offset the relevance of some analysis and limit generalisability to other countries that have since been included in datasets. However, this is complemented by blending a case study analysis of the detailed political process of policy focusing on older people, exploring how political institutions structure their policy-making processes. The three countries that the author chose for case study comparison do provide some complementarity, but it is possible that they were chosen more for the ease of access to data that provided the level of detailed scrutiny required. Nevertheless, the rich comparative description and analysis significantly enhances our understanding of political science in this area and is both insightful and stimulating.

JENNY BILLINGS

University of Kent

J.R.Billings@kent.ac.uk

Douglas Besharov and Kenneth Couch (eds.) (2012), *Counting the Poor: New Thinking about European Poverty Measures and Lessons for the United States*. New York: Oxford University Press and School of Public Policy, University of Maryland. £45, pp. 434, hbk
doi:10.1017/S0047279413000433

The book's subtitle relates to the phrases 'To learn more about European efforts' to 'improve their measurements of income, poverty and material well-being' (p. 6), with which the editors express the motive behind the conference, organised by the University of Maryland and the OECD (Paris, 2009), from which the book derived. As an active participant in poverty measurement methodologies since the eighties, I understand that nowadays 'new thinking' on poverty measurement means multidimensional/combined methods, which complement income poverty with direct deprivation indicators (see Alkire and Foster, 2008, whose proposal has many followers; Boltvinik, 2013, for a description and evaluation of the Latin American experience of multidimensional poverty measurement since the eighties; and Grusky and Kanbur, 2006, as well as Kakwani and Silber (eds.), 2007, for examples of current discussions). However, from the nineteen chapters in the book, only chapter 16, by Nolan and Whelan, properly broaches multidimensional/combined methods.

The book is divided in six parts, and in each of the first five the papers included are commented by American scholars. A careful reader of the book, paying close attention to these commentaries, which represent the best of the book, particularly those by Burkhauser,

Bavier and Gilbert, will perceive that European poverty measurement is in an exit-less maze.

In Europe, the concept of poverty has become confusedly linked with social exclusion (a vague concept in itself) regarded as broader than poverty. Following Gilbert (chapter 18), under the rubric of social exclusion in the EU, it has been agreed to include indicators on three dimensions: (a) income poverty, (b) material deprivation and (c) other social issues as education, housing, health care, unemployment. But Marlier *et al.* (chapter 15, the first of four in Part V, 'Multidimensional Measures') reject the possibility of integrating these dimensions in a composite indicator, arguing that doing so requires value judgements to define their weights and the combination procedure. Composite indicators are disqualified as attractive only to the general public and the media. By doing this, multidimensional poverty measurement, which precisely means arriving at a composite indicator which reflects an integrated view of poverty (as can be confirmed in the above-cited references), is rejected. Measuring many dimensions, present in any social statistical handbook, is not the same as multidimensional poverty measurement. In the absence of a composite indicator, income poverty will continue reigning with its biases, limitations and contradictions, highlighted by many authors in the book, so the rejection of a composite indicator can be interpreted as a subterfuge to maintain such dominance.

Marlier *et al.* pretend implicitly that in measuring many dimensions they avoid value judgments, which is obviously not the case. For instance, the indicator adopted as material deprivation is based on nine items of enforced lacks (people who want the item but can't afford them). The selection of these items and the exclusion of many basic satisfiers, like the whole block of dwelling indicators included in the EHCP (European Community Household Panel Survey) is a non-grounded value judgement, as is the allocation of equal weights to all nine indicators, as pointed out by Gilbert (chapter 18). One of Marlier's co-authors is Nolan who, in his paper with Whelan, proposes a multidimensional composite indicator of poverty which identifies as poor only households which comply with two conditions (the intersection criterion of both sets): their income is below the poverty line (PL) *and* they have three or more enforced lacks among seven selected items of material deprivation, thus lowering poverty incidence drastically. This involves a much heavier value judgement: designing a procedure by which you minimise the inclusion error (identifying as poor someone who is not) but maximises the exclusion error (identifying as non-poor many poor households).

The following are some of the biases/limitations/contradictions of the indicators of income poverty (currently employed in the EU and the OECD), of the material deprivation indicator agreed at the EU, as well as of the combination proposed by Nolan and Whelan of both:

- (A) The definition of the PL (set as 50/60 per cent of median household income) is presented as the application of Townsend's ideas, who defined relative poverty as the condition of exclusion experienced by individuals/households due to insufficient resources to participate in the living patterns, customs and activities (1979a). Townsend (1979b) added that, 'Lacking an alternate criterion, the best assumption would be to relate sufficiency to the average rise (or fall) in real incomes.' But it should be noted that to define the initial PL level, he never proposed to base it on mean/median observed income. In chapter 6 of his magnum opus (1979a), Townsend proposed to relate the direct indicators of deprivation with household income in order to identify the level of income below which observed deprivation grows rapidly, thus revealing what he called the objective PL. The methodology adopted in the EU and the OECD is not Townsend's methodology, because as Bradshaw has said, and Besharov and Couch cite approvingly in the Introduction, 'there never has been any scientific justification for the 60 per cent of median equivalent

- income threshold'. Why a percentage below 100 per cent, and not 100 per cent, or higher than 100 per cent? Why the same percentage of the median income for countries as disparate (in their living standards) as Luxembourg and Lithuania?
- (B) As Sen (1981: chapter 2, and Sen, 1983) warned, adjusting the PL based on the behaviour of the mean/median income may lead to absurd situations. Poverty increased slightly, in OECD countries as a whole, according to Förster and d'Ercole (chapter 2) between 1985 and 2005, a growth period, while it decreased slightly from 2005 to 2010, a period of crisis. It could not be more paradoxical.
- (C) Upon adoption of different poverty PLs in proportion to the median income of each country within the EU (a borderless labour economic unit), as Burkhauser (chapter 4) analyses in detail, the incidence of poverty is lower in Poland than in the UK, to give an example. Who can find useful such information?
- (D) Unaware of the inherent contradictions involved, the EU has been using completely relativist PLs, which change annually, defined in terms of the value of the median income of each country in each year, side by side with absolute material deprivation indicators (and also absolute indicators of the third group), which are the same across countries and through time. The results (e.g., low correlation between absolute and relative indicators) are surprising only for those who are unaware of this conceptual inconsistency. (Gilbert, chapter 18, is an inch away of perceiving this. His critiques are brilliant.) Similarly, welfare supports are allocated in the EU on the basis of absolute deprivation criteria (Baviera, chapter 11). In many cases, this is done based on normative family budgets, a method commonly rejected, in the same countries, for poverty measurement.
- (E) The third type of indicators (employment, education, health care) are handled separately and piecemeal.
- (F) At the end of the day, the EU neither measures poverty nor social exclusion. Income poverty, which is indeed measured, is called at-risk-of-poverty, and regarding multidimensional poverty, as in the proposal by Nolan and Whelan – also applied for many years by the Bristol Group and integrated by followers of Townsend (see Pantazis *et al.*, 2006) – but has not been accepted officially, is not measured. Other indicators of social exclusion (unemployment, education, housing, health services) are measured piecemeal. Thus social exclusion is, as poverty, not measured.

The book is a must for poverty researchers and policy makers.

References

- Alkire, S. and Foster, J. (2008), *Counting and Multidimensional Poverty Measurement*, OPHI (Oxford Poverty and Human Initiative), Working paper no. 7.
- Boltvinik, J. (2013), 'Medición multidimensional de pobreza: América Latina de precursora a rezagada' (Multidimensional measurement of poverty: Latin America from pioneer to laggard), *Revista Sociedad y Equidad*, Universidad de Chile, no. 5, Santiago de Chile, Enero de 2013, pp. 4–29, www.sye.uchile.cl/.
- Grusky, D. B. and Kanbur, R. (2006), *Poverty and Inequality*, Stanford, CA: Stanford University Press.
- Kakwani, N. and Silber, J. (2007), *The Many Dimensions of Poverty*, New York: Palgrave Macmillan.
- Pantazis, C., Gordon, D. and Levitas, R. (2006), *Poverty and Social Exclusion in Britain: The Millennium Survey*, Bristol: Policy Press.
- Sen, A. K. (1981), *Poverty and Famines: An Essay on Entitlement and Deprivation*, Oxford: ILO and Clarendon Press.
- Sen, A. K. (1983), 'Poor, relatively speaking', *Oxford Economic Papers*, 35: July, 153–69.
- Townsend, P. (1979), *Poverty in the United Kingdom*, Harmondsworth: Penguin.

Townsend, P. (1979a), 'The development of research on poverty, in Department of Health and Social Security', *Social Security Research: The Definition and Measurement of Poverty*, London: HMSO.

JULIO BOLTVINIK
El Colegio de México
jbolt@colmex.mx

Michael Stolleis (2013), *Origins of the German Welfare State: Social Policy in Germany to 1945*. New York: Springer. £85.50, pp. 188, hbk
doi:10.1017/S0047279413000445

If the Holocaust is the negative pole of post-war German national identity, then its counterpart is the welfare state, and the book under review here can be seen as an element of the memory work involved in reassuring the Germans of the value of this achievement. This slim volume is an English translation of a section of a 1,000-page tome that was published in 2001 to serve as an introduction to a comprehensive research project – sponsored by the Federal Ministry for Labour and Social Order and involving both primary source collections and interpretive works – on German social policy since 1945.

The author is professor of public law, and, both for better and for worse, the story told here is one of political institutions, laws and administration in the broad domain of what Stolleis calls social protection. Culture, society and economy are all largely absent from the book, which identifies social protection primarily with social insurance and labour law. As a result, the book only touches upon the social welfare programmes that formed the second pillar of the German welfare state and all of the debates social discipline and bio-politics that are the central theoretical concern of most works dealing with these programmes.

The book begins with an introduction by Lutz Leisering, who provides a brief tour d'horizon of the monograph-length contributions to the original publication, and includes five substantive chapters by Stolleis. Following a brief introduction to his own narrative, Stolleis' second chapter surveys the various forms and institutions of social protection from the Middle Ages to German unification in 1870/71. The third (and longest) chapter focuses on the development of social insurance in Imperial Germany. The fourth and fifth chapters carry the story through World War I and the Weimar Republic, respectively, with the final substantive chapter concentrating on the Nazi era. Stolleis' account of the Bismarckian social insurance legislation is the strongest chapter in the book. Stolleis nicely captures the plurality of ideas, motives and influences that shaped the social insurance laws of the 1880s, and he ultimately portrays (pp. 57–63) these measures as lineal descendants of both Christian notions of office and service and the political morality of the nascent territorial states, whose authority was legitimated in terms of the promotion of 'good order' and happiness (Polizei). Stolleis argues that the apparent paradox of precocious social intervention in a belated nation can be resolved by recognising that 'this step into modernity could succeed only because elements of pre-liberal statehood were better preserved in Germany than elsewhere (p. 59). Consequently, social liberalism gets only short shrift in this account. In contrast to 'the fundamental willingness of conservative thinking to overlay the freedom of contract with bonds of ethics and public law (p. 62), Stolleis argues that liberalism – weakly rooted, politically divided, and allergic as it was to state intervention, especially that of Bismarckian provenance – could provide no positive rationale for such state-sponsored insurance.

The theme of chapters 4 through 6 is one of evolutionary continuity, that is the steady differentiation of the major social insurance programs (and the addition of new ones) as more and more social groups were brought within the ambit of social insurance and as these